CMMB VISION

CMMB VISION HOLDINGS LIMITED
中國移動多媒體廣播控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 471)

ANNOUNCEMENT

Joint Venture Agreement for acquisition of Soaring Share And Cancellation of original Share Purchase Agreement

Reference is made to the announcements of the Company dated 2 December 2014 and 3 December 2014 (the "**Announcements**") in relation to the proposed acquisition of equity interest in Soaring pursuant to the Share Purchase Agreement. Unless otherwise stated, capitalized terms used herein shall bear the same meanings as defined in the Announcements.

The Board announces that on 31 March 2015, the Company and the Vendor cancelled the Share Purchase Agreement by mutual agreement. As at the date hereof, no payment has been made by the Company pursuant to the Share Purchase Agreement. On the same date, the Company and the Vendor entered into a new Joint Venture Agreement with the Vendor, pursuant to which the Company will acquire 3% of the equity interest in Soaring and an option to acquire an additional 47% equity interest in Soaring. The cancellation of the Share Purchase Agreement and the entering into the Joint Venture Agreement reflect the new commercial objectives and terms between parties in respect of their cooperation in relation to Dish-HD Asia and are the results of the arm's length negotiation between the Company and the Vendor.

Pursuant to the Joint Venture Agreement, the Company will pay US$2,000,000 for the acquisition of 3% of the equity interest in Soaring immediately and an option to acquire an additional 47% of Soaring for a term of 5 years, maturing in 31 March 2020 for an additional consideration of US$3,000,000, subject to satisfaction of the conditions precedent under the Joint Venture Agreement.

The principal terms of the Joint Venture Agreement are summarized as below.

THE JOINT VENTURE AGREEMENT

Date:	1 December 2014
Parties:	(i) the Vendor as the seller; and (ii) the Company as the purchaser.
Subject Matter:	Pursuant to the Joint Venture Agreement, the Vendor agreed to sell and the Company agreed to purchase 3% of the equity interest in Soaring. In addition, the Vendor also grants the Company an option to purchase additional 47% equity interest in Soaring, exercisable by the Company on or before 31 March 2020.
Consideration:	The consideration is US$2,000,000 for the purchase of 3% of the equity interest in Soaring. An exercise price of US$3,000,000 is payable upon exercise of the Option (as defined below) to acquire an additional 47% of the equity interest in Soaring. The consideration was determined based on arm's length negotiations between the parties thereto taking into account a number of factors including the business prospects, financial position and performance of the Target Group, the future synergies to be derived by the Company after the successful acquisition of the Target Group and the reasons and benefits to be derived from the Acquisition as described below.
Payment:	The consideration for the Acquisition shall be settled in cash in the manner set out below: The Company shall pay to the Vendor US$1,000,000 as a refundable deposit (the "**Deposit**") on the date of signing the Joint Venture Agreement. Upon completion of the Acquisition, the Deposit will be credited against the consideration for the Acquisition of US$2,000,000 in satisfaction of the consideration in full. In the event the transaction is not completed, the Deposit will be returned to Company without interest.

	An addition amount of US$3,000,000 will be paid to the Vendor if the Company exercises the Option to acquire the additional 47% in Soaring on or before 31 March 2020, upon the fulfillment of certain conditions as set out below. The Company will finance the consideration for the Acquisition by cash in the bank, bank credit facility, shareholder loans, private equity, share placement, or a combination of the above.
The Option:	The Vendor has granted an option (the "**Option**") to the Company to acquire an additional 47% equity interest in Soaring at an exercise price of US$3,000,000, for a period from the date of the Joint Venture Agreement up to and including 31 March 2020, subject to the relevant regulatory approvals and compliance with the Listing Rules.
Transferability of the Option:	The Option is not transferable unless with the prior written consent by Soaring.
No voting right attached	Holder(s) of the Option will not carry voting rights at any to the Option: shareholders meetings of Soaring by reason only of being holder(s) of the Option.
Conditions Precedent:	Completion of the Joint Venture Agreement is conditional upon, (i) satisfactory due diligence on the legal, regulatory and financial status of Soaring and the Target Group; (ii) auditor has issued an unqualified audit report in respect of the Target Group; (iii) all requirements under the Listing Rules have been satisfied or waived, as the case may be;

(iv) all necessary requirements to obtain the approval of the Hong Kong Government Authorities in respect of the Acquisition have been satisfied, including but not limited to obtaining the relevant approval from the Office of the Communications Authority, Hong Kong on the change of shareholding and directorship in the Target Group.

The Company is entitled to waive any of the conditions precedent to the Completion except for conditions (iii) and (iv).

The Acquisition is subject to the fulfillment of various conditions precedents, the Joint Venture Agreement may or may not proceed to the completion and the Company may or may not exercise the Option. Accordingly, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

INFORMATION ON THE GROUP

The Company is an investment company. The principal business activity of the Group is the development and promotion of CMMB-based multimedia and interactive services via proprietary terrestrial and satellite infrastructure. In China, the Group has been the principal developer for the CMMB and NGB-W technology and a value-added service provider in support of SARFT's CMMB services. Recently, it has entered into an MOU with NYBB LLC to acquire the AsiaStar mobile satellite capacity and assets, which has coverage over China and Asia Pacific Region. It has also entered into the Strategic Cooperation Framework Agreement with Global Broadcasting Media Group to jointly develop and operate a satellite-based platform in China to provide mobile multimedia video, voice and data, as well as other new generation digital media and information services, which will also be extended the rest of Asia. In US, the Company is operating a terrestrial UHF wireless TV network providing digital media and entertainment services to New York and other key markets in preparation for deploying a similar multimedia service platform in US.

INFORMATION ON THE SELLER AND THE TARGET GROUP

Same as disclosed in the Announcements, assuming the completion of Subscription and Shareholders Agreement, the Company will own 3% of Soaring upon completion of the Joint Venture Agreement; and, upon completion of an additional 47% in Soaring pursuant to the exercise of the Option, the Company will own 50% of Soaring, and hence the joint control in Dish-HD Asia.

Dish-HD Asia currently provides 76 TV channels of mostly high-definition programs with state-of-the technology and operating infrastructure as well as strong programming partnership with leading Hollywood and global content providers. It has revenue of approximately US$7.05 million (unaudited) and net loss of approximately US$2.26 million (unaudited) for the year ended 31 December 2014 due to high fixed cost typical of a new pay-TV startup, which net loss has been significantly reduced as compared with in 2013. Taken together, the management of Dish-HD Asia is optimistic it can reach cost breakeven and hopefully profitable quickly.

Soaring was incorporated under the laws of the Republic of Seychelles with limited liability on 21 October 2014. As at the date of this announcement Soaring had no operations and no material assets other than its rights under the Subscription and Shareholders Agreement.

Set out below is the unaudited net loss of Dish-HD Asia before and after tax for the years ended 31 December 2012, 2013 and 2014:

	For the year ended 31 December 2012	**For the year ended 31 December 2013**	**For the year ended 31 December 2014**
	US$'million	*US$'million*	*US$'million*
Net loss before tax	12.66	11.88	2.26
Net loss after tax	12.66	11.88	2.26

Based on its unaudited management account, as at 31 December 2014, the unaudited net liabilities of Dish-HD Asia was approximately US$23.69 million.

REASONS FOR AND BENEFITS OF THE ACQUISITION

Same as disclosed in the Announcements, the acquisition will enable the Company to immediate leverage and incorporate Dish-HD Asia's existing business platform, turnkey expertise, global management, and valuable content partnerships with leading Hollywood content providers to jump-start the Company's planned satellite-based mobile multimedia and data delivery service platform with Chinese media partners in China as announced on 12 September 2014.

It will also enable Dish-HD Asia's existing business franchise and revenue to expand rapidly through the partnerships the Company is entering in China.

Furthermore, the acquisition will expand the Company's wireless delivery infrastructure to include both fixed and mobile satellite networks, thereby allowing the Company to offer integrated entertainment, multimedia, and data service customers anytime anywhere seamlessly across all screens and spaces inclusive of home TV, mobile devices, and in-vehicle entertainment systems.

By entering into the Joint Venture Agreement, the Company will acquire 3% of the issued share capital of Soaring with an option to acquire an additional 47% equity interest in Soaring. Compared to the commercial terms of the Share Purchase Agreement, the terms under the Joint Venture Agreement will enable the Group to reduce its exposure to the risk in the business development of Soaring, while maintaining its interests in any upside potential which may be realized by Soaring in the future. The Company believes the new Joint Venture Agreement can better optimize the overall collaboration and synergy between the Group and the Target Group.

In view of the above-mentioned factors, the Board considers that the terms and conditions of the Joint Venture Agreement are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios exceed 5% but all of the applicable percentage ratios do not exceed 25%, the Acquisition contemplated under the Share Purchase Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the report and announcement requirements as set out in Chapter 14 of the Listing Rules.

If the Company exercises the Option to acquire an additional 47% equity interest in Soaring, it is expected that such additional acquisition will be aggregated with the Acquisition and constitute a notifiable transaction of the Company. In such event, the Company will make separate announcement and comply with other applicable requirements under the Listing Rules.

By order of the Board
CMMB Vision Holdings Limited
Wong Chau Chi
Chairman

Hong Kong, 31 March 2015

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. WONG Chau Chi and Dr. LIU Hui; two non-executive Directors, namely Mr. CHOU Tsan-Hsiung and Mr. YANG Yi; and three independent non-executive Directors, namely Mr. WANG Wei-Lin, Mr. LI Shan and Dr. LI Jun.